

2000

1999-2000 Legislative Summary

Assembly Committee on Utilities and Commerce

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ASSEMBLY COMMITTEE ON UTILITIES AND COMMERCE

1999-2000 LEGISLATIVE SUMMARY



Summary of 1999-2000 Legislation

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Assembly
California Legislature



Committee on Utilities and Commerce
RODERICK D. WRIGHT, Chair

October 16, 2000

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Dear Interested Parties:

This report summarizes the legislation referred to the Assembly Committee on Utilities and Commerce in the 1999-2000 Legislative Session. The committee dealt with a wide array of issues, including:

- The California Energy Commission's power plant siting and licensing process.
- Peak electricity demand reduction grant program.
- Rate cap for customers of the San Diego Gas and Electric Company.
- Extension of the public goods surcharge to fund public interest research and development, energy efficiency and demand reduction, and renewable energy resources.
- Agricultural electric rates.
- The divestiture of utility-owned hydroelectric generation assets.
- Excess rate reduction bond revenues.
- The governing structures of the Independent System Operator and the Power Exchange, and the duties of the Electricity Oversight Board.
- The unbundling of distribution-related natural gas services, such as metering and billing.
- A non-bypassable surcharge to fund public purpose programs.
- Low-income energy efficiency and rate assistance programs.
- Solar and distributed generation grants.
- Area code relief.
- Consumer protections for telephone customers.
- Third party access to the inside wiring of building.
- Eminent domain rights pertaining to public utilities that offer competitive services.
- Capital facilities fees imposed on state agencies and school entities.
- The distribution and sale of petroleum products.
- The Trade and Commerce Agency, and the promotion and development of international trade.

I hope you find this report useful. If you would like additional information please feel free to contact me or the committee's staff.

Sincerely,


RODERICK D. WRIGHT, Chair

Assembly Committee on Utilities and Commerce

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Utilities and Commerce 1999 – 2000 Legislative Summary

Assembly Utilities and Commerce Committee Roderick D. Wright, Chair

AB 61 (Cardoza)

This bill enacts the Rural Development Export Act of 1999 to promote the export of manufactured goods and services from the state's rural areas. Requires the California Office of Export Development to develop a Rural Export Strategy, developed in collaboration with, and using the available resources of, relevant agencies, organizations, and businesses that serve or are located within rural California. The strategy would include a cost-effective mechanism to educate the staff in California's overseas trade offices about products and services available from the state's rural communities.

Status: Approved by Governor (10/10/99), Chapter 598, Statutes of 1999.

AB 180 (Havice)

This bill requires the Trade and Commerce Agency (TCA) to develop a statewide alliance of public-private trade development organizations to undertake specified tasks in the development of trade opportunities in the state, if determined feasible by TCA. TCA would be required to adopt emergency regulations, and take all steps it deems appropriate to carry out the provisions of this bill. "Public-private trade development alliance" is defined in this bill as a group of organizations designated by TCA which use public and private sector resources to measurably increase California's trade by providing coordinated services statewide on a one-stop basis.

Status: Approved by Governor (9/29/99), Chapter 565, Statutes of 1999.

AB 265 (Davis)

This bill establishes a rate cap for customers of San Diego Gas and Electric Company (SDG&E) by capping the costs for electricity at \$0.065 per kilowatt hours retroactive to June 1, 2000. The rate cap applies to all residential, small commercial, and streetlighting customers as well as hospitals, schools, and other customers on the AL-TOU rate schedule, or 95 percent of SDG&E's customers. This bill also calls for the California Public Utilities Commission (CPUC) to establish a balancing account and offset any undercollection in the balancing account with revenues associated with sales from generation owned by the utility. The difference between what customers would owe under the rate rollback and what customers actually pay under the rate rollback is

accounted for in that balancing account. CPUC is required, however, to review the balancing account at least semiannually and may adjust the ceiling if it finds it to be in the public interest. Such adjustment may be made only after the commission has completed a review of the prudence and reasonableness of SDG&E's procurement practices since June 1, 2000 and determined whether customer refunds are in order.
Status: Approved by Governor (9/7/00), Chapter 328, Statutes of 2000.

AB 301 (Wright)

This bill requires the CPUC to modify its rules of practice and procedure to allow interested persons to petition the CPUC to adopt, amend or repeal a regulation. The CPUC will be required to either institute a rulemaking or deny the petition within a six-month timeframe and must include a statement of the reasons for denial.
Status: Approved by Governor (9/29/99), Chapter 568, Statutes of 1999.

AB 365 (Wright)

This bill requires the CPUC to make local and long-distance telephone companies submit information on their residential telephone services and prices and provide this information on the Internet after July 1, 2001.
Status: Held in Assembly Appropriations.

AB 406 (Knox)

This bill requires the CPUC to request that Federal Communications Commissions (FCC) delegate specific authority to the state for the purpose of enabling CPUC to implement specified measures that would assist in the efficient allocation of telephone numbers. This bill also requires CPUC to develop and implement any available measures to efficiently allocate telephone numbers to California's citizens, including rate center consolidation, allocation of numbers in blocks smaller than 10,000 and unassigned number porting. As an interim measure, this bill requires CPUC to direct telecommunications providers assign numbers to their customer first from prefixes that are more than 25% used, and only from prefixes with less than 25% use when numbers are not otherwise available. This bill also requires CPUC to direct the North American Numbering Plan Administrator (NANPA) to obtain utilization data for any area code for which a relief plan is proposed, prior to adopting a plan for, or setting a date for, relief. This bill directs CPUC to allocate telephone numbers in blocks smaller than 10,000, once the CPUC or an authorized federal agency establishes a process to do so.
Status: Approved by Governor (10/10/99), Chapter 809, Statutes of 1999.

AB 409 (Dickerson)

This bill provides that the disabled veteran business enterprises (DVBE) status may continue for a period of up to three years after the death or permanent disability of the owner of the business enterprise. This bill also requires the State Department of Veteran

Affairs to appoint an advocate who would be responsible for overseeing implementation of this bill and general DVBE participation goals in state contracting.

Status: Approved by Governor (10/10/99), Chapter 767, Statutes of 1999.

AB 535 (Reyes)

This bill requires local exchange carriers (LEC) providing custom calling services that do not require an access code for activation on a pay per use basis to provide information about those services to residential customers during the verbal service order process for new service or a second line. This bill also requires a local provider to inform a customer who inquires about these services, or requests a bill adjustment for the inadvertent or unauthorized use of these services, about blocking and to ask whether blocking is desired. In addition, AB 535 mandates that a local provider offering such services send a notice to all its residential customers by May 1, 2000 describing these services, their cost to customers, and how to block them. This bill also provides that customers that have not blocked these services are not prohibited from obtaining a one-time bill adjustment for the inadvertent or unauthorized activation of the per use services.

Status: Approved by Governor (9/15/99), Chapter 384, Statutes of 1999.

AB 617 (Campbell)

This bill extends liability protections to wireless telecommunications providers, and companies providing one-way paging service, when they are acting in good faith with law enforcement and other government agencies. Under existing law, certain telecommunications providers may release information about subscribers to law enforcement officials and other local, state, or federal agencies, upon issuance of a state or federal court warrant or order of administrative subpoena. This bill provides wireless providers and companies providing one-way paging service with immunity from civil actions relating to a subscriber's right to privacy.

Status: Approved by Governor (8/30/99), Chapter 256, Statutes of 1999.

AB 651 (Wright)

This bill requires building owners to give telecommunications providers access to buildings, subject to specific conditions, in order to provide telecommunications services to all tenants and occupants, and when constructing or significantly reconstructing buildings, to provide adequate space to accommodate current and future telecommunications equipment and to permit rewiring under certain conditions. This bill also prohibits telecommunications service providers and building owners from entering into exclusive agreements that prevent other telecommunications companies providing service to a tenant and establishes fines to be imposed if the CPUC, in response to a complaint, determines that this provision has been violated.

Status: Senate Judiciary Committee.

AB 811 (Keeley)

This bill requires the CPUC to establish a Power Exchange (PX) credit based on actual energy usage, as specified. The PX credit is currently calculated based on the average load profiles of each customer class. The load profile is an estimate of how much energy is purchased at any given hour by each customer class. This bill would require CPUC to establish a PX credit for customers with real-time meters based on actual hourly data recorded by a customer's meter, rather than customer class averages.

Status: Approved by Governor (9/16/99), Chapter 408, Statutes of 1999.

AB 818 (Knox)

Requires the CPUC to develop and implement available measures to assist in area code relief planning for California citizens, and provides specific relief for citizens in the 310 Number Plan Area (NPA) by rescinding any split or overlay and 10-digit dialing until specified conditions are met.

Status: Placed on Inactive File on the motion of Assemblymember Knox.

AB 918 (Keeley)

This bill changes the formula for the calculation of net monthly consumption for net metering customers, and clarifies that the net metering rate will be based on the customer's average cost over a 12-month period instead of a class average. For customers with a "time of use" rate, their account will be based on their average cost within each time period instead of the class average. Additionally, this bill clarifies that if a customer chooses an alternate electric provider the incumbent utility (who continues to bill the customer for other bundled costs such as distribution service) is not required to provide net metering for that customer.

Status: Approved by Governor (9/30/00), Chapter 1043, Statutes of 2000.

AB 970 (Duchney)

This bill establishes expedited processes for California Energy Commission (CEC) siting of both temporary "peaking" and permanent thermal powerplants, and expands energy conservation and demand-side management programs administered by CEC and the CPUC.

Status: Approved by Governor (9/7/00), Chapter 329, Statutes of 2000.

AB 991 (Papan)

This bill requires the CPUC to monitor and participate in FCC proceedings reviewing interconnection by competitive data local exchange carriers to the incumbent local exchange carriers' (ILEC) local loop. CPUC will be required to implement rules consistent with any FCC decision issued by January 1, 2000. If, however, the FCC fails to issue a final order by January 1, 2000, the CPUC is required to expeditiously examine

the record and adopt rules, if appropriate to permit competitive data local exchange carriers provide high bandwidth data over telephone lines.

Status: Approved by Governor (10/10/99), Chapter 714, Statutes of 1999.

AB 994 (Wright)

This bill would require CPUC by January 1, 2002 to prepare and submit a report to the Governor and the Legislature on the feasibility of establishing rural telephone cooperatives in California and include recommendations concerning appropriate legislation.

Status: Approved by Governor (9/30/00), Chapter 931, Statutes of 2000.

AB 995 (Wright)

This bill reaffirms policy that each investor-owned utility shall continue to operate its electric distribution grid in its service territory and have a reasonable opportunity to recover its costs, extends the collection of a nonbypassable system benefit charge to fund energy efficiency, renewable energy, and public interest research and development. This bill requires various reports relating to these programs, and requires further legislative action before program moneys can be expended.

Status: Approved by Governor (9/30/00), Chapter 1051, Statutes of 2000.

AB 1002 (Wright)

This bill requires the CPUC to impose a surcharge on all natural gas consumed in California to fund specified low-income, energy efficiency, conservation and public interest research programs. This bill also institutes a tariff rate to apply to customers who bypass public utility gas corporations and subsequently seek to utilize the public utility gas corporation for transportation services.

Status: Approved by Governor (9/30/00), Chapter 932, Statutes of 2000.

AB 1003 (Wright)

This bill requires the CPUC to review and issue a decision regarding the sale by auction of certain hydroelectric assets on or before January 31, 2001.

Status: Senate Energy, Utilities, and Communications Committee.

AB 1082 (Calderon)

This bill permits telephone corporations that are regulated under a "price cap" regulatory structure to issue stock or debt unless the CPUC determines that such an issuance is not in the public interest.

Status: Vetoed (9/30/00).

I am returning Assembly Bill 1082 without my signature.

This measure permits telephone companies that are regulated under a "price cap" regulatory structure to issue stock or debt unless the California Public Utilities Commission (PUC) can prove that such an issuance would not be in the public interest. Current law requires telephone companies to obtain PUC approval before issuing stock or long-term debt with a maturity date of more than 12 months.

AB 1082 duplicates existing PUC procedures that allow the PUC to exempt telephone companies on a case-by-case basis from regulatory review of their financing proposals.

It also places ratepayers at risk if local telephone companies make bad financial decisions and must seek additional forms of revenue to offset the losses. It is important that local telephone companies obtain state review before issuing stock or debt so the public can be protected from imprudent corporate finance decisions.

AB 1149 (Aroner)

This bill requires the CPUC to conduct a study and submit a report to the Legislature, by January 1, 2001, on existing regulations relating to underground electric and communications facilities. The issues to be addressed would include discovering and eliminating barriers to establishing continuity of the existing underground system, and ways to eliminate uneven patches of overhead facilities. The study would also explore ways to provide more flexibility to local governments.

Status: Approved by Governor (10/10/99), Chapter 844, Statutes of 1999.

AB 1156 (Duchney)

This bill would require the Controller to establish a subaccount within the Special Fund for Economic Uncertainties. The bill would transfer \$150,000,000 from the fund to the subaccount and would appropriate those funds from the subaccount, upon approval of the Department of Finance, to the CPUC, for use by the CPUC to reduce the adverse impact of high-cost wholesale energy purchases on certain ratepayers if a specified rate ceiling is in effect, the CPUC determines that a specified revenue shortfall would result in a ratepayer surcharge greater than 10%, and the electricity rates were directly linked to PX costs. This bill would declare that, on January 1, 2004, any remaining balance in the account would revert to the General Fund.

Status: Vetoed (9/29/00).

I am returning Assembly Bill 1156 without my signature.

This bill creates a Ratepayer Relief Fund in the General Fund, with \$150 million to be disbursed by the Public Utilities Commission (PUC) in 2003 to moderate the potential for large electric bill increases in San Diego resulting from the rate stabilization legislation I approved earlier

this month, AB 265 (Davis). I am fully committed to protecting the residents and businesses of San Diego from the unconscionable prices they faced earlier this summer for electric service.

This legislation is premature, sets a troubling precedent, and encourages merchant generators and energy traders to continue to act irresponsibly.

The challenges presented to California by electrical deregulation are significant but can be met over time. This will require cooperation and responsible action by consumers, the utilities, the state, the Federal Energy Regulatory Commission, and most of all, the merchant generators and energy traders who are unconscionably profiteering in the deregulated marketplace.

At my urging, the Independent System Operator (ISO) has imposed \$250 wholesale price caps on wholesale energy purchased in the state. Today I am urging the FERC to lower the current bid and price caps below \$250, at least by half. The current path of unconscionable wholesale energy prices are unacceptable for ratepayers and California utilities. California's consumers have a legitimate need for California's utilities to remain solvent and the state must be committed toward that end. Without financially healthy utilities, no California-based entity will exist that will be sufficiently solvent to invest in the new electrical generation and transmission facilities necessary to solve our energy problems. California needs FERC to act this fall in order for California to have the time necessary to develop new market power mitigation measures and more permanent market reforms.

I have taken executive action and sponsored legislation to accelerate the development of new supplies of electricity in California. But in the short-term, electricity rates can only be moderated by reducing the unprecedented and unconscionable wholesale prices that prevail in California's energy market.

AB 1240 (Ashburn)

This bill expresses legislative intent for specified state funding of certain international trade activities at the existing California Central Valley International Trade Center (CCVITC) in Tulare. Additionally, this bill states legislative intent to ensure cooperation and coordination of trade activities between the CCVITC and other existing trade promotional organizations in the Central Valley.

Status: Approved by Governor (7/22/99), Chapter 141, Statutes of 1999.

AB 1263 (Thomson)

This bill permits cellular "911" calls to be routed to a local public safety agency other than the California Highway Patrol if (1) the call originates from a location other than from a highway or county road under CHP jurisdiction; (2) it's economically and technically feasible; (3) it will benefit public safety; and (4) if the CHP, DGS, and the public safety agency, in consultation with the wireless industry, producers of "911" selective routing service, and local law enforcement officials, believe it will provide more efficient 911 service.

Status: Approved by Governor (9/30/00), Chapter 981, Statutes of 2000.

AB 1393 (Wright)

This bill provides for continued utility administration of energy efficiency programs targeted to low-income gas and electricity customers, and specifies quality of service factors to be used as bidding criteria for contracts funded under these programs. The specific bidding criteria includes the bidder's relevant experience, financial stability, knowledge of, and ability to reach targeted communities and commitment to training and employing people from the local area.

Status: Approved by Governor (10/10/99), Chapter 700, Statutes of 1999.

AB 1398 (Papan)

This bill extends specified provisions, indefinitely, for judicial review of CPUC decisions affecting water corporations, which would otherwise be replaced on January 1, 2001, with a less deferential review standard.

Status: Approved by Governor (9/29/00), Chapter 953, Statutes of 2000.

AB 1421 (Wright)

This bill prohibits the CPUC from unbundling distribution-related gas services, such as metering and billing, for most customers. Basic gas service is defined under this bill to include transmission, storage, distribution, purchasing natural gas on behalf of a customer, revenue cycle services (i.e., metering, billing, and collection) and after-meter services (i.e., leak investigation, inspecting customer piping and appliances, carbon monoxide investigation, pilot relighting, and high bill investigation). Additionally, this bill requires electric utilities serving agricultural customers to conduct research relating to the energy usage of agricultural customers, and requires the CPUC to consider the research results in setting distribution rates for agricultural customers.

Status: Approved by Governor (10/10/99), Chapter 909, Statutes of 1999.

AB 1657 (Utilities and Commerce)

This bill establishes a procedure for notification by municipal electric utilities to specified public agencies, of the imposition of a new capital facilities fee or the increase of an

existing capital facilities fee, and imposes a 120-day statute of limitations for initiating a judicial challenge to these fees.

Status: Vetoed (10/10/99).

I am returning Assembly Bill No. 1657 without my signature.

AB 1657 establishes a procedure for notification by public electric utility companies to affected school districts, county offices of education, community college districts, California State University, University of California, and all state agencies, of the imposition of a new capital facilities fee or the increase of an existing capital facilities fee. The intent of this measure was to impose a prospective 120-day statute of limitations for initiating a judicial challenge to these fees.

However, AB 1657 does more than accomplish those stated purposes. Unfortunately, the bill also establishes two new statute of limitations in the Public Utilities Code relating to the imposition of utility fees and charges on the entire school community, K-12 schools and higher education, for other than electric service. These provisions would apply to capital facilities fees even when such fees have not been noticed or disclosed and arguably could be applied retroactively, thus justifying improper fees previously charged to public education entities and state agencies. The fiscal impact to the entire education community would be over \$100 million and substantially more for state agencies. Therefore, I cannot sign AB 1657 with such broad fiscal impacts on educational facilities and state agencies relative to the imposition of capital facilities fees. If appropriate changes are made to this measure and returned to my desk, I will sign it during the next legislative session.

AB 1658 (Utilities and Commerce)

This measure is technical code "clean-up" bill sponsored by the CPUC. Most of the provisions are technical, and delete obsolete code provisions and outdated reporting requirements.

Status: Approved by Governor (10/10/99), Chapter 1005, Statutes of 1999.

AB 1663 (Committee on Utilities & Commerce)

This bill extends the sunsets on a number of energy conservation-related assistance and subsidy programs and modifies the structure of a particular CEC energy assistance program for local jurisdictions and public institutions.

Status: Vetoed (1/3/00).

I am returning Assembly bill No. 1663 without my signature.

This bill would extend the sunset dates for the State Public Works Board Energy Efficiency Revenue Bond Program to January 1, 2005. Additionally, the bill would extend the sunset date for two California Energy Resources, Conservation and Development Commission energy efficiency loan programs to January 1, 2011.

Although I am supportive of the Public Works Board Energy Efficiency Revenue Bond Program and increasing energy efficiency in public buildings, there does not appear to be a demand for the energy efficiency loans from the Energy Conservation Assistant Account or Local Jurisdiction Energy Assistance Account because loans are available from private-sector lenders at a lower rate of interest. I believe resources for these programs could better serve the needs of Californians for other high priority programs.

AB 1674 (Committee on Utilities & Commerce)

This bill establishes a procedure for notification by municipal electric utilities to specified public agencies, of the imposition of a new capital facilities fee or the increase of an existing capital facilities fee, and imposes a 120-day statute of limitation for initiating a judicial challenge to these fees. The text of this bill is almost identical to AB 1657 (Utilities and Commerce), which was vetoed in 1999 by Governor Davis. In his veto message, the Governor indicated a concern that the bill language was not adequately specific to assure its pertaining to electric rates only, and that its provisions arguably could be applied retroactively. The Governor closed his veto message by pledging to sign future legislation "if appropriate changes are made." AB 1674 expressly identifies the effective date of the legislation and clarifies that the measure only affects publicly-owned electric utilities.

Status: Approved by Governor (7/21/00), Chapter 146, Statutes of 2000.

AB 1825 (Strom-Martin)

Establishes a grant program within the CPUC for the construction of telecommunications infrastructure in areas not already served.

Vetoed (9/29/00).

I am returning Assembly Bill 1825 without my signature.

This bill expands the California High-Cost fund program to fund a grant program within the California Public Utilities Commission for rural telecommunications infrastructure. It provides grants to community-based organizations to construct telecommunications infrastructure in rural areas that are currently not served by a telecommunications carrier. The bill sunsets the grant program on January 1, 2006.

For public safety, health, and convenience reasons, all Californians should have access to reliable local telephone service. Regrettably, topography and fiscal concerns prohibit providing telephone service to every Californian.

The intent of AB 1825 is good. It seeks to provide telephone service to remote, low-income communities. Unfortunately, it has the potential to hurt all high-cost areas of the state. By diverting up to \$10 million a year from the California High Cost Funds, it could cause other rural ratepayers to see increases in their telephone bills. The High Cost Funds provide subsidies to small and mid-sized telephone companies to keep telephone rates affordable for rural telephone consumers. If funds are diverted to pay for a new grant program, existing payments could be jeopardized.

AB 2076 (Shelley)

This bill requires the CEC to examine the feasibility of operating a strategic fuel reserve and to report its findings to the Legislature.

Status: Approved by Governor (9/30/00), Chapter 936, Statutes of 2000.

AB 2098 (Migden)

This bill requires the CEC to study the feasibility of financing, constructing, and maintaining a new pipeline or using an existing pipeline to transport motor vehicle fuel.

Status: Approved by Governor (9/30/00), Chapter 963, Statutes of 2000.

AB 2548 (Cox)

This bill authorizes a municipal utility district to procure supplies and materials on the basis of "best value at lowest cost" criteria when the expenditure exceeds \$50,000.

Status: Vetoed (9/29/00).

To Members of the California Assembly:

I am returning Assembly Bill 2548 without my signature.

This bill would permit a board of a municipal utility district (MUD) to procure supplies and materials in excess of \$50,000 on the basis of "best value at lowest cost" criteria rather than selecting the lowest bid.

This bill replaces the current objective standard with a subjective standard that could result in increased costs to the ratepayers. Therefore, I am vetoing it.

AB 2638 (Cardoza)

This bill permits irrigation districts to build and operate electric facilities in the service territory of an investor-owned utility only upon approval of the CPUC based on specified findings, provides IOUs with discounting authority to compete with irrigation districts, and provides a limited exemption from these provisions for those irrigation districts already providing electric distribution service.

Status: Approved by Governor (9/30/00), Chapter 1042, Statutes of 2000.

AB 2705 (Committee on Agriculture)

This bill requires that loan repayments and interest from the Agricultural Energy Assistance Program be deposited in the Energy Technologies Research, Development, and Demonstration Account and be available for loans and technical assistance for specified purposes upon appropriation in the annual Budget Act. This bill places limitations on the loan repayment period and the loan interest rate.

Status: Approved by Governor (9/30/00), Chapter 1046, Statutes of 2000.

AB 2721 (Wesson)

This bill prohibits leaving a pre-recorded message without receiving authorization from a live person, except in specified situations.

Status: Failed. Senate refused passage (12 to 28).

AB 2757 (Committee on Utilities & Commerce)

This bill requires the CPUC to establish and implement a toll-free number to access telephonic reading systems for individuals with print disabilities, and authorizes specified entities to apply to CPUC for funds to establish and operate new telephonic reading systems.

Status: Vetoed (9/29/00).

I am returning AB 2757 without my signature.

This measure would expand funding for telecommunications programs aimed at providing toll-free access and operational costs for the establishment of telephonic reading systems for individuals who are visually impaired.

I am concerned that implementation of this program could negatively affect funding for other important activities within the Deaf and Disabled Telecommunications Program (DDTP). In addition, spending caps within the DDTP could be impacted by the implementation of a telephonic reading system, particularly when there are no complete estimates of the level of use anticipated for

these systems. I believe it is premature to enact this measure without the data sufficient to estimate the impact of the program.

I do, however, support actions that enhance the quality of life for blind Californians. Last year, my budget included more than \$70,000 for recreational therapists, \$200,000 for three additional teachers and provided \$200,000 for Braille transcription at the California Special School for the Blind. I also signed a bill last year that allowed for publishers of instructional materials to provide software for transcription into Braille.

I would be open to a bill next year that would allow the Public Utilities Commission (PUC) to determine, after appropriate review, how the blind could be further accommodated by this fund.

AB 2762 (Committee on Utilities & Commerce)

This bill authorizes the CPUC to establish a uniform fee for the passenger vehicle operators class on a basis other than revenue, including on a per vehicle basis, in order to cover costs associated with conducting licensing, enforcement, and investigation activities for that class of carrier.

Status: Approved by Governor (9/8/00), Chapter 341, Statutes of 2000.

AJR 56 (Longville)

This bill memorializes the President and the Congress to enact legislation to allow states the opportunity to implement year-round daylight saving time.

Status: Approved by Governor (9/5/00), Res. Chapter 127, Statutes of 2000.

AJR 77 (Keeley)

This bill directs the Electricity Oversight Board (EOB), working with the CPUC, to petition the FERC to modify the ISO tariffs to require that the prices in the energy and ancillary services markets are just and reasonable, as prescribed. The measure would require the CPUC, in consultation with the EOB, to investigate the most effective mechanisms to protect consumers from price volatility, energy exports, and unreasonably high prices caused by an uncompetitive market. The measure directs the CPUC, by September 21, 2000, to issue a prescribed order.

Status: Approved by Governor (9/18/00), Chapter 1087, Statutes of 2000.

SB 33 (Peace)

This bill transfers authority from the CPUC to the governor to designate a president of CPUC. Additionally, this bill would require the president to direct CPUC staff, including the CPUC attorney and executive director, except when directed otherwise by a vote of

the CPUC. Staff representing ratepayers in CPUC proceedings would be excluded from the provisions of this bill.

Status: Approved by Governor (9/27/99), Chapter 509, Statutes of 1999.

SB 96 (Peace)

This bill revises specific provisions relating to the governing structures of the ISO and the PX and the duties of the EOB. This bill establishes that California has the exclusive right to decline appointments to the ISO and PX only for the electric service matters within California's exclusive jurisdiction and that the existing ISO and PX board composition shall remain in effect until another state joins those boards. This bill further indicates that procedures for all other governing board members shall be the subject of FERC's exclusive approval. Additional provisions of this bill clarify that FERC cannot be precluded from taking any action necessary to address undue discrimination or other violations of the Federal Power Act.

Status: Approved by Governor (9/27/99), Chapter 510, Statutes of 1999.

SB 110 (Peace)

This bill streamlines the CEC's siting and licensing process to conform with a competitive generation market where ratepayers are no longer on the hook for the cost of building and maintaining power plants. This bill eliminates the requirement for a finding of "need" for new power plants, which was enacted in 1974 in order to ensure that ratepayers would not be obligated to pay for the construction and maintenance of utility power plants that were not needed to meet electricity demand. Additionally, this bill requires CEC to report to the Legislature and Governor regarding potential improvements to the power plant siting process, and requires the Secretary of the Resources Agency to review its certification of CEC's siting process.

Status: Approved by Governor (9/29/99), Chapter 581, Statutes of 1999.

SB 123 (Peace)

This bill permits a branded gasoline franchisee to purchase the franchiser's branded petroleum product from any location in the franchiser's network.

Status: Assembly Utilities and Commerce Committee.

SB 177 (Peace)

This bill pertains to eminent domain powers for privately owned public utilities. The bill, among other things, (1) limits the privilege of condemnation when used for the purpose of competing with another entity, as specified; (2) prohibits a telephone corporation from condemning property on specified airports.

Status: Approved by Governor (10/10/99), Chapter 774, Statutes of 1999.

SB 282 (Kelley)

This bill requires the CEC to study the causes of high electric rates for agricultural and other rural customers and to identify options for reducing rates. Additionally, this bill requires the CPUC to report to the Legislature on various activities related to reducing energy costs and improving competitive opportunities for agricultural and other rural customers.

Status: Approved by Governor (9/3/99), Chapter 322, Statutes of 1999.

SB 418 (Polanco)

This bill authorizes the CPUC to order a fair and reasonable credit to ratepayers of any excess rate reduction bonds (RRBs) for an electrical corporation that ended its rate freeze prior to July 15, 1999. For purposes of this bill "excess rate reduction bonds proceeds" means the proceeds from the sale of RRBs authorized by CPUC financing orders determined to be in excess of the amounts necessary to provide ratepayers the 10% rate reduction required by Section 368(a) of the Public Utilities Code.

Status: Approved by Governor (10/10/99), Chapter 683, Statutes of 1999.

SB 531 (Baca)

This bill establishes rules and procedures for submitting informal complaints electronically before the CPUC. The CPUC would be required to establish procedures to permit the submission of informal complaints through electronic means after July 1, 2001 and provide the means by which consumers may submit informal complaints through electronic means on or before January 1, 2002.

Status: Approved by Governor (9/3/99), Chapter 327, Statutes of 1999.

SB 552 (Kelley)

This bill allows the San Diego County Water Authority to market electricity and natural gas in the event an opportunity arises to use its distribution network.

Status: Approved by Governor (9/30/00), Chapter 1044, Statutes of 2000.

SB 655 (Peace)

This bill requires the CEC to develop a five-year program to provide grants to offset a portion of the costs of qualified solar and distributed generation installations, contingent on funding of the program in the Budget Act of 2000.

Status: Vetoed (10/10/99).

I am returning Senate Bill 655 without my signature.

While I am supportive of efforts to promote emerging solar and distributed generation technologies, this bill establishes a new grant program without establishing the source or amount of funding.

This program, while important, should compete with other priorities in the annual budget process.

SB 669 (Polanco)

This bill requires the Department of General Services to consult with city and county officials to accomplish its responsibilities with respect to 911 telephone service, and codifies the advisory boards for six telecommunications programs administered by the CPUC. The six telecommunications advisory boards created by this bill advise the CPUC regarding the implementation, development, and administration of these programs, and carry out the programs subject to CPUC's direction, control, and approval. Additionally, this bill creates special accounts in the state treasury to hold the telecommunications program funds in trust.

Status: Approved by Governor (10/10/99), Chapter 677, Statutes of 1999.

SB 808 (Peace)

This bill revises the definition of "communication" facilities to include electrical and gas facilities for purposes of the California Infrastructure and Economic Development Bank Act.

Status: Approved by Governor (10/10/99), Chapter 936, Statutes of 1999.

SB 932 (Bowen)

This bill establishes several new consumer protection provisions for telephone customers, and prohibits the disconnection of local telephone service for non-payment of long distance charges.

Status: Failed passage in Assembly Utilities and Commerce Committee.

SB 983 (Bowen)

This bill directs the California Department of Toxic Substances Control to develop regulations governing the cleanup of illegal drug laboratories.

Vetoed (9/25/00).

I am returning Senate Bill 983 without my signature.

This bill would require the Department of Toxic Substances Control (DTSC), by January 1, 2002, to adopt regulations to provide state and local agencies with procedures and standards for taking remedial actions at illegal drug lab sites.

There has been a dramatic proliferation of illegal drug labs throughout California in the last four years, especially in the Central Valley. I agree with the author that it is imperative for California to

ensure that these sites are cleaned to a level that protects public health and the environment. However, this measure is flawed. The cleanup standards in this bill are incomplete and are not protective of water quality nor do they adequately protect residents from pollution, contamination, and nuisance. Also, the one-year timeframe for developing scientifically complicated regulations creates an impossible timeframe to meet.

This bill does however address a significant and growing problem in California. I am directing the DTSC as part of the FY 2001-02 Budget to develop standards, in consultation with the appropriate agencies, for the cleanup of illegal drug labs that are protective of the public health and the environment.

SB 1132 (Costa)

This bill revises the limitation on capital facilities fees imposed by a public utility agency on school entities and state agencies.

Status: Assembly Appropriations.

SB 1159 (Sher)

This bill deletes the requirement for third-party verification when a residential customer switches electric service providers via the Internet or a written transaction, and instead requires verification in the same medium that the sale takes place. For Internet sign-ups, the customer must click on a separate screen to acknowledge they are switching to a new provider. For written sign-ups, the customer must sign a written acknowledgement of the transaction. Additionally, this bill extends third-party verification requirements to aggregators, and requires aggregators and energy service providers to keep records of confirmations.

Status: Approved by Governor (7/28/99), Chapter 214, Statutes of 1999.

SB 1194 (Sher)

This bill reaffirms policy that each investor-owned utility shall continue to operate its electric distribution grid in its service territory and have a reasonable opportunity to recover its costs, extends the collection of a nonbypassable system benefit charge to fund energy efficiency, renewable energy, and public interest research and development. This bill requires various reports relating to these programs, and requires further legislative action before program moneys can be expended.

Status: Approved by Governor (9/30/00), Chapter 1050, Statutes of 2000.

SB 1298 (Bowen)

This bill requires the California Air Resource Board to adopt emissions standards for distributed generation technologies determined to have significant potential for market penetration in the state.

Status: Approved by Governor (9/27/00), Chapter 741, Statutes of 2000.

SB 1299 (Committee on Energy, Utilities, & Commerce)

This bill extends the sunsets on two energy efficiency loan programs administered by the CEC for schools, local governments, and special districts, and revises CEC reporting requirements. Specifically, this bill extends the sunsets on two CEC Revolving Loan Accounts—the Energy Conservation Assistance Account, which provides low-interest loans to schools, local governments, and special districts for energy efficiency projects, such as high-efficiency lighting upgrades in schools, and the Local Jurisdiction Account, which provides low-interest loans to local governments for energy efficiency projects, such as high-efficiency LED traffic signals.

Status: Approved by Governor (9/19/00), Chapter 741, Statutes of 2000.

SB 1345 (Peace)

This bill revises the definition of solar energy system and implements a new grant program through the CEC to offset a portion of the costs of solar energy systems and distributed generation systems. This bill is designed to encourage installation of residential, small commercial and industrial solar and distributed generation systems. Solar systems would be eligible for up to \$750 dollars and distributed generation systems would be eligible for 10% of their costs up to \$2,000. The 2000-2001 State Budget appropriated \$1.5 million in funding for this program.

Status: Approved by Governor (9/19/00), Chapter 537, Statutes of 2000.

SB 1388 (Peace)

This bill enacts CEC recommended changes to current electrical power plant siting processes, and makes several changes to continued implementation of electrical restructuring in California.

Status: Approved by Governor (9/30/00), Chapter 1040, Statutes of 2000.

SB 1622 (Alarcon)

This bill requires CEC to incorporate environmental justice concepts into its overall mission and power plant siting process, and adopt regulations relating to data requirements for power plant applicants.

Status: Failed passage in Assembly Utilities and Commerce Committee.

SB 1709 (Kelley)

Clarifies that providers of digestive gas technologies are exempt from the definition of an electrical corporation and from regulation by the CPUC.

Status: Approved by Governor (7/21/00), Chapter 174, Statutes of 2000.

SB 1712 (Polanco)

This bill requires the CPUC to study and report to the Legislature on whether the definition of universal service should be broadened to include video and data services.

Status: Approved by Governor (9/30/00), Chapter 943, Statutes of 2000.

SB 1741 (Bowen)

This bill requires the CPUC to request authority from the FCC to require telephone corporations to establish technology specific area codes and to permit even digit dialing within the technology specific area code and the underlying pre-existing area code.

Status: Approved by Governor (9/29/00), Chapter 907, Statutes of 2000.

SB 1939 (Chesbro)

This bill requires local publicly-owned utilities, including irrigation districts, which have not implemented programs for low-income electricity customers, to perform a needs assessment and establish rate assistance and energy efficiency programs, and prohibits irrigation districts from providing electric transmission or distribution service to retail customers in another utility's service territory unless the district certifies by ordinance that it provides public purpose programs, and has universal service, consumer protection, and environmental policies comparable to those of the incumbent utility provider.

Additionally, this bill makes various changes to irrigation district voting requirements.

Status: Approved by Governor (9/30/00), Chapter 1041, Statutes of 2000.

SB 1962 (Alpert)

This bill requires oil refiners and marketers to report additional specific information to the CEC. This bill gives the CEC the authority to track the production, sale, and distribution of unbranded fuel, along with imports and exports of all gasoline, diesel fuel, and blended fuel stocks. This additional information will assist CEC in monitoring the production and supplies of these fuels, as well as developing contingency plans to ensure sufficient supplies of fuels are available for necessary services.

Status: Approved by Governor (9/01/00), Chapter 288, Statutes of 2000.

SB 2012 (Speier)

This bill appropriates \$5 million to the Office of Emergency Services for matching fund grants to public television and radio stations to install digital broadcasting equipment, and

requires stations receiving funding to dedicate an emergency broadcast channel.

Status: Approved by Governor (9/30/00), Chapter 1087, Statutes of 2000.

SB 2110 (Knight)

Requires state agencies, in evaluating bid submissions, to give a 5% preference to bids by a disabled veteran business enterprise that is a prime contractor. Additionally, prohibits any DVBE bidder that receives the 5% bid preference may not receive the small business preference provided by the Small Business Procurement and Contract Act.

Status: Held in Assembly Appropriations.

SJR 32(Haynes)

This measure memorializes the United States Senate to pass, and the President to sign, the Phone Tax Repeal Act (HR 3916), co-authored by Representatives Robert Matsui (D-California) and Rob Portman (R-Ohio).

Status: Approved by Governor (8/25/00), Res. Chapter 117, Statutes of 2000.